

October 13, 2016

Marlene Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street SW Washington, DC 20554

Re: Protecting the Privacy of Customers of Broadband and Other

Telecommunications Services WC Docket No. 16-106

Dear Ms. Dortch:

On Tuesday, October 11, 2016, Jesse Ward, Industry and Policy Analysis Manager, and the undersigned of NTCA-The Rural Broadband Association (NTCA) met separately with Travis Litman, legal advisor to Commissioner Jessica Rosenworcel, and Claude Aiken, legal advisor to Commissioner Mignon Clyburn, to discuss the above-captioned proceeding. In this discussion, NTCA referred to its comments and reply comments filed in the docket, as well as the "Fact Sheet" as released by the Federal Communications Commission (Commission) on October 6, 2016. NTCA highlighted several key issues in the discussion. They included:

- 1. The imperative to ensure that a consistent form of regulation should apply to all firms with access to substantively similar (if not identical) data; regulatory disparity and ensuing customer confusion should be avoided.
- 2. As opt-in requirements may be implemented for certain sensitive sets of data, those requirements should neither initiate nor perpetuate regulatory disparity.
- 3. Voluntary industry guidelines to address data security that incorporate scalability, flexibility, and technical and economic feasibility are best suited to respond effectively to evolving threats.
- 4. A sufficient deferral period should be established for small providers.

<sup>1</sup> See, "Fact Sheet: Chairman Wheeler's Proposal to Give Broadband Consumers Increased Choice Over their Personal Information." (rel. Oct. 6, 2016) (http://transition.fcc.gov/Daily\_Releases/Daily\_Business/2016/db1006/DOC-341633A1.pdf) (last viewed Oct. 13, 2016, 9:27).

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These principles were discussed at the meeting, consistent with the report provided below:

## **Consistent Form of Regulation:**

NTCA recognizes the need to guard the privacy of user information. Toward that end, and as set forth in NTCA comments and reply comments, privacy rules for Internet service providers (ISPs) should focus on those data that arise solely out of an ISP's provision of broadband Internet access service, similar to the narrow scope of customer proprietary network information (CPNI) that is protected under Section 222 in the telephone environment.

Other data that are substantively similar (and in many instances identical) to that which are available to edge and application providers and other firms should be treated according to a standard that is consistent with Federal Trade Commission (FTC) principles to which those other firms are subject. The Commission's proposal, as reflected in the Fact Sheet description that "web browsing history" and "app usage data" would be included in information that would be subject to opt-in requirements would depart from that principle, as edge and application providers rely routinely upon web browsing and app usage information to market goods and services. The Commission should avoid regulatory disparity that is unfair to market participants and confusing to consumers.

Particularly, opt-in requirements for broadly construed data sets will impede ISP and customer opportunities to enjoy the full advantages of services including those that are related to the core broadband offering such as technical support, hardware/software systems, and alarm/security monitoring services.

## **Data Security:**

Perfect network security can be neither promised nor obtained. The driving goal in network security matters is to create a situation that is less imperfect. Voluntary industry guidelines that recognize and incorporate scalability, flexibility and economic feasibility are best suited to respond effectively to technological and threat developments. To the extent that any guidelines are deemed necessary with respect to data security, they should explicitly note the voluntary, flexible nature of the NIST Cyber Security Framework (including the work of CSRIC IV and its working groups), and they should also include the establishment, implementation and maintenance of reasonable physical, technical and administrative security safeguards that contemplate the volume and sensitivity of the data held by the ISP. Although the Commission has discussed considerations based upon the size of an ISP, NTCA urges specific and explicit reference to "economic feasibility" when determining what measures are either necessary or considered "reasonable." As an example, NTCA explained that the so-called "dashboard" proposal an example of a measure that is technically possible, but wholly economically infeasible for small carriers.

<sup>&</sup>lt;sup>2</sup> Certain of the sources cited by the Commission in the NPRM include economic feasibility. *See*, *i.e.*, fn. 321, discussing Clean Water Act standards of the "best available technology economically achievable."

<sup>&</sup>lt;sup>3</sup> See, NTCA Comments at 42.

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## **Deferral Period for Small Providers:**

A delayed implementation schedule for small ISPs that will accommodate a sufficient period to gather information about the impact of the rules on larger providers should be provided. This delayed implementation will also accommodate market demands on network security products that could increase prices during the initial period of implementation; these market forces would be particularly burdensome for small providers who lack negotiating power. Moreover, implementation of a new regulatory regime for small businesses will be aided by observing and learning from the experiences of larger firms who are by virtue of their size and scale are better positioned to absorb the learning curve. The period of observation will be useful to the Commission, as well, in determining whether additional tailoring of requirements for small providers is warranted. NTCA notes that the incorporation of a "reasonableness" standard alongside recognition of technical and economic feasibility can provide substantial guidance in these regards.

In addition to the issues highlighted above, NTCA also addressed: the usefulness of safe harbor or other guidance for providers that offer discounted service rates in exchange for customers' allowances to access and use data; the usefulness of an extended breach data reporting deadline for small providers who have limited staff resources and for which seven days could prove too short a time; a threshold for breach reporting that does not require a report for a single incident, *i.e.*, the mailing of a billing statement to an incorrect address; and, breach notification requirements that are calibrated to the sensitivity of the data that was revealed.

Pursuant to Section 1.1206(b) of the Commission's Rules, this letter is filed for inclusion in the public record of the above-captioned proceeding.

Respectfully submitted,

/s/Joshua Seidemann
Joshua Seidemann
Vice President of Policy
NTCA—The Rural Broadband Association

cc: Travis Litman Claude Aiken